



27 DEC 1982

MEMORANDUM FOR: Acting Director of Central Intelligence
THROUGH: Executive Director
FROM: James N. Glerum
Director of Personnel
SUBJECT: Revised SIS Pay Rates

1. Action Requested: That you approve the recommendations contained in paragraph 4.

2. Background:

(a) The recently enacted Continuing Resolution raises the Federal pay cap imposed on Senior Executive Service (SES) pay from \$58,500 to \$67,200 which permits a pay adjustment for SES levels 2 through 6. Historically we have followed revisions to the SES rate structure for our SIS officers and it is recommended that we adopt these new rates. The following table reflects current and proposed SIS rates that are consistent with the new SES pay structure:

	<u>Current</u>	<u>Revised</u>
SIS-1	\$56,945	\$56,945
SIS-2	\$58,500	\$59,230
SIS-3	\$58,500	\$61,515
SIS-4	\$58,500	\$63,800
SIS-5	\$58,500	\$65,500
SIS-6	\$58,500	\$67,200

Subject to your approval, these new rates are to be effective 18 December 1982.

(b) At the same time, the Federal pay cap for the General Schedule (GS) has been raised from \$57,500 to \$63,800 and it is recommended that we adjust the pay rates for those officers at the GS-15 step 7 level through GS-15 step 10 to the appropriate revised rates.



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(c) With the approval of these revised SIS and GS rates, the GS-15 step 7 through GS-15 step 10 will realize a higher base pay than SIS-1, -2, or -3. This is not a new situation and is similar to the pay inequities that were created in the last two SES/GS pay increases. As you will recall, a "one-time" pay adjustment was approved by the DDCI for SIS-1, -2 officers in January 1982 enabling them to keep pace with the GS increase. It is estimated that approximately 30 percent of our SIS officers (primarily SIS-1 - SIS-3) will earn less base pay than had they remained under the General Schedule. On the surface, this appears to be an untenable condition, however, the following distinctions between the GS system and the SIS program must be considered: The SIS program is a totally different pay and benefit package from the General Schedule including eligibility for rank stipends and performance awards, accrual of unlimited annual leave, eligibility for sabbaticals, and for advancement to senior managerial or specialist ranks. These added benefits do not have an immediate dollar impact, however, they must be considered when comparing the two different base pay structures. It should be noted also that the annual leave balances are increased in value. One other significant factor: The new cap for GS-15 is \$63,800; the new SES cap is \$67,200. The legislative pay increases normally approved in October, e.g., October 1983, will have an impact on the high step GS-15, but only to \$63,800. Our SIS officer can continue to receive the annual pay adjustment to \$67,200.

(d) Two separate pay issues are involved that will require a policy decision.

- (1) Officers currently at the SIS-1 - SIS-3 level and,
- (2) Future promotions from GS-15 to SIS-1.

In the first case, these officers elected to join the SIS or were promoted to and within the SIS before this current pay adjustment. Therefore, they should not be eligible to receive the pay benefits being derived from the GS system. In the second case, officers promoted into the SIS system should not realize any reduction in base pay resulting from membership in the SIS. Officers in this category (GS-15 step 7 through step 10) should continue to be authorized pay retention at the current GS level which is a reaffirmation of our current policy.

3. Staff Position: I am aware of informal suggestions to elevate our SIS cadre to the SIS-4 pay level of \$63,800 which would ostensibly solve the current perceived disparity between the SIS and GS pay structures. To do so, however, would destroy the concepts of SIS rank in relation to job and organizational responsibility, career development,

ranking and promotion, and could subject us to external criticism that we are drawing the best of two systems. In addition, the increase in personal service costs may be prohibitive. Therefore, it is recommended that we adopt the revised rates for the SIS, maintain these revised rates for current SIS-1, -2, and -3 officers and continue our policy of pay retention for GS-15 step 7 through step 10 officers promoted to SIS-1.

4. Recommendation: It is recommended that you approve the revised SIS pay structure contained in paragraph 2, that current SIS-1, -2, and -3 officers receive the revised rate established for those levels and that our policy of pay retention be reaffirmed for GS-15 step 7 through step 10 officers being promoted to SIS-1.

/s/ James N. Glerum
James N. Glerum

CONCUR:



Executive Director

Date

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APPROVED:

/S/ John N. McMahon

Acting Director of Central Intelligence

Date

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